

MedChi

The Maryland State Medical Society

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TO: The Honorable, Joseph F. Vallario, Jr., Chair
Members, House Judiciary Committee
The Honorable Kathleen M. Dumais

FROM: Joseph A. Schwartz, III
Pamela Metz Kasemeyer
J. Steven Wise
Danna L. Kauffman

DATE: February 18, 2015

RE: **SUPPORT** – House Bill 164 - *Judgments – Appeals – Supersedeas Bond*

The Maryland State Medical Society (MedChi), which represents more than 8,000 Maryland physicians and their patients, supports House Bill 164.

House Bill 164 would establish the maximum supersedeas bond in a civil case at \$50 million dollars, although the maximum for a “small business” would be \$1 million dollars. MedChi believes that while these ceiling amounts are important, the provisions on page 2, lines 10-16, are equally important. These provisions provide that the parties may seek, and the court may grant, a reduction in the amount of a supersedeas bond “...for good cause shown.” MedChi believes that there are any number of cases – including medical malpractice cases – where very high jury awards and the cost of an appeal bond discourage otherwise meritorious appeals. Further, there is no particular magic to the amount of a supersedeas bond, particularly since the court would be able to accept other conditions to guarantee ultimate payment should the appeal be unsuccessful.

MedChi understands that those companies issuing supersedeas bonds will oppose House Bill 164 in order to protect their current income stream. However, given that the bill provides that the court will have control over the extent and any conditions for reduction of the bond amount, MedChi believes that House Bill 164 is a flexible response and should receive a favorable report.

For more information call:

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